

UTAH ATTORNEY GENERAL'S OFFICE

Medicaid Fraud Control Unit ("MFCU")

November 7, 2007

MISSION: TO PROTECT THE INTEGRITY OF THE MEDICAID PROGRAM AND THE SAFETY AND PROPERTY OF INSTITUTIONALIZED CITIZENS OF THE STATE OF UTAH THROUGH SKILLED DETECTION, PROACTIVE INVESTIGATION, PREVENTION, PROSECUTION AND FINANCIAL RECOVERY

The 10-member Unit is composed of two attorneys (including the MFCU Director), five investigators (certified peace officers), one auditor, one paralegal and one administrative assistant. Primary unit responsibilities include enforcement actions against fraudulent Medicaid providers, both criminally and civilly, and criminal prosecution involving abuse or neglect, including financial exploitation, of vulnerable adults in care facilities.

The MFCU operates on an annual \$1 million budget funded approximately 90% by the federal government.

SUMMARY OF FINANCIAL RECOVERIES IN CIVIL MEDICAID PROVIDER FRAUD CASES

<u>State Fiscal Year</u>	<u># of Cases</u>	<u>Federal Portion</u>	<u>State Portion</u>	<u>Total Recoveries</u>
1993 - 2003	12	\$1,516,244	\$745,453	\$2,261,697
2004	6	\$1,512,957	\$1,063,093	\$2,576,050
2005	5	\$2,217,940	\$1,024,829	\$3,242,769
2006	4	\$203,289	\$84,896	\$288,185
2007	4	\$1,220,259	\$562,397	\$1,782,656
2008	1	\$845,459	\$382,122	\$1,227,581
funds pending *	3	\$1,692,171	\$664,427	\$2,356,597
TOTALS		\$9,208,319	\$4,527,217	\$13,735,536

Most civil Medicaid fraud cases have involved pharmaceutical manufacturer violations of federal Medicaid pricing law, including manipulation of Average Wholesale Price, kickbacks, and various schemes resulting in underpayment of Medicaid drug rebates. Many recent cases have also involved improper "off-label" (not FDA-approved) promotion by pharmaceutical manufacturers triggering false claims (ineligible for Medicaid reimbursement) to be submitted.

* settlement agreements signed, but funds not yet disbursed

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Utah Medicaid Fraud Control Unit'
MFCU Civil Recoveries.xls